

Randy L. Royal, Trustee (5-1754)
Chapter 7 Bankruptcy Trustee
PO Box 551
Greybull, WY 82426-2322
Ph: 307.765.4433
Fax: 307.765.9563
Email: rlroyal@randylroyalpc.com

Ken McCartney (5-1335)
The Law Offices of Ken McCartney, P.C.
P.O. Box 1364
Cheyenne, WY 82003
Telephone: (307) 635-0555
Facsimile: (307) 635-0585
Email: bnkrpcyrep@aol.com

David Lichtenstein, *pro hac vice*
Law Office of David Lichtenstein, LLC
1556 Williams Street, Suite 100
Denver, CO 80218
Tel: (303) 831-4750
Facsimile: (303) 863-0835
Email: dave@lichtensteinlaw.com

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF WYOMING

In Re: PROSPECT AGENCY GROUP, INC.

Debtor

Case No.: 18-20180

CHAPTER 7

**RESPONSE OF RANDY L. ROYAL, TRUSTEE, TO OBJECTION OF
CONNOR GLYNN TO TRUSTEE'S APPLICATION TO EMPLOY ATTORNEYS**

Randy L. Royal, Trustee in the above estate, responds to the Objection to Trustee's
Application to Employ Attorneys filed by Connor Glynn (Glynn Objection, Doc. 106).

INTRODUCTION

On November 23, 2018, Christopher Gregg Thomas filed an adversary complaint against Mr. Royal in Case No. 18-2039 (Doc. 1) to recover sales commissions held by the Trustee relating to certain insurance policies. The crux of the complaint is that Debtor Prospect Agency Group, Inc. (Prospect) holds only legal title to the commissions, while Mr. Thomas holds beneficial title to them and is therefore entitled to them.

To defend against Mr. Thomas's complaint, Mr. Royal has applied for permission to have counsel, including David Lichtenstein, represent him, on a contingent fee basis, to defend against Mr. Thomas's adversary complaint. Doc. 104. The estate has no funds to hire counsel on an hourly basis, particularly when Mr. Thomas claims entitlement to the very funds Mr. Thomas could use for that purpose. Mr. Glynn objects to the appointment of Mr. Lichtenstein. (He does not object to the appointment of Mr. McCartney.)

Mr. Glynn, in his Objection at p. 1, claims to be an "interested party and creditor" in this case. He does not explain his status, or standing, as in interested party. As a creditor, his opposition to Mr. Royal's application is surprising, since Mr. Glynn would presumably have a colorable claim to the commissions Mr. Royal is able to preserve for the estate.

That aside, Mr. Glynn contends Mr. Lichtenstein is not a disinterested person within the meaning of 11 U.S.C. §101(14)(C) because he has an adverse connection with Prospect by virtue of his representation of Clifton Bo Cleveland Abbott, a former officer and director of Prospect against whom, Mr. Glynn alleges, Prospect may have a claim. Mr. Glynn relies on *In re: Roberts*, 46 B.R. 815 (Bankr. Ct. D. Utah 1985), a case in which the attorneys *themselves* had

represented the Debtor, and were disqualified under a previous version of 11 U.S.C. §327 that had broader standards for disqualification. Even under those standards, that court observed

While creditors are specifically named as "not disinterested" by §101(13)(A) [now §101(14)(A)], attorneys for creditors are not. The only attorneys specifically noted as "not disinterested" by this section are those who have represented certain investment bankers involved in the securities of the debtor.

Roberts, 46 B.R. 815.

Because Mr. Glynn has failed to demonstrate that Mr. Lichtenstein is a disinterested person, his objection should be overruled and Mr. Royal's Application to Employ Attorneys should be approved.

Dated: February 25, 2019

/s/ Randy L. Royal
Randy L. Royal, Trustee (5-1754)
Chapter 7 Bankruptcy Trustee
PO Box 551
Greybull, WY 82426-2322
Ph: 307.765.4433
Email: rlroyal@randylroyalpc.com

/s/ David Lichtenstein
David Lichtenstein, (Colo. Bar No. 11408)
pro hac vice
Law Office of David Lichtenstein, LLC
1556 Williams Street, Ste. 100
Denver, CO 80218-1661
Telephone: (303) 831-4750
Facsimile: (303) 863-0835
Email: dave@lichtensteinlaw.com

CERTIFICATE OF SERVICE

The undersigned certifies that on February 25, 2019, he caused a true and correct copy of the foregoing RESPONSE OF RANDY L. ROYAL, TRUSTEE, TO OBJECTION OF CONNOR GLYNN TO TRUSTEE'S APPLICATION TO EMPLOY ATTORNEYS to be served electronically on the following:

Dan Morse
Assistant U.S. Trustee

Randy Royal
Trustee

Steven Winship
Winship and Winship

Ken McCartney

s/David Lichtenstein
David Lichtenstein, *pro hac vice*
Law Office of David Lichtenstein, LLC
1556 Williams Street, Suite 100
Denver, CO 80218
Tel (303) 831-4750
E-mail: dave@lichtensteinlaw.com

The undersigned also certifies that on February 25, 2019, he caused a true and correct copy of the foregoing RESPONSE OF RANDY L. ROYAL, TRUSTEE, TO OBJECTION OF CONNOR GLYNN TO TRUSTEE'S APPLICATION TO EMPLOY ATTORNEYS to be sent by express overnight delivery by the United States Postal Service:

Connor J. Glynn
P.O. Box 10128
Bozeman, MT 59719
cjlglynn@gmail.com

s/David Lichtenstein
David Lichtenstein